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California Public Utilities Commission

LIGB

SEP 03 1999

Low Income Governing Board

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September 1, 1999**Statement submitted on the CalFed Bay Delta Plan**

I appreciate the opportunity to submit written comments . On April 23 1998, I was able to give testimony in person. I wish to reiterate that testimony as part of this submission.

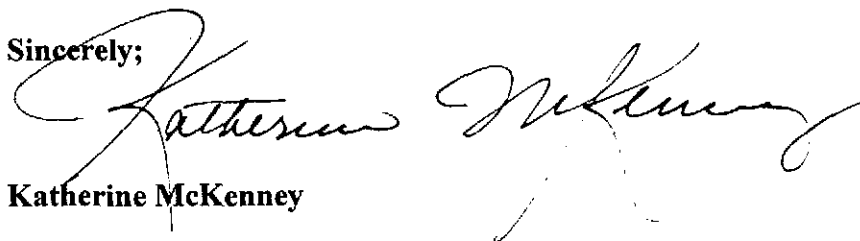
As the Public Member of the Low Income Governing Board, I serve in an advisory capacity to the California Public Utilities Commission on policy regarding electric energy matters including Public Benefit Programs.

It is my opinion that the CalFed proposals have not taken the opportunity to revitalize hundreds of miles of rivers and streams by aggressively pursuing a one time opportunity to evaluate the integration of the existing hydro-power generation system into the long term solutions of water quality and reliability.

The divestiture of hydro power plants required under the de-regulation of electric energy in California is about to occur on paper only and with no consideration of the extensive needs identified by the CalFed process.

As the Los Angeles Times editorial of August 28, 1999 points out, the PG&E network is the largest privately owned hydro power system in the world. CalFed should intervene now on an emergency basis and delay the transfer of these facilities for at least a year. With an immense public interest at stake, conditions should be made to help overcome the longtime environmental damage done by the dams and water diversions.

Under present terms, the transfer of these facilities may occur without an environmental review and in five years may be sold to any entity. In a deregulated, competitive energy environment five years from now there is absolutely no guarantee that water needs will play any role in the operation of these facilities built 80 or 90 years ago with little or no thought for the environment or long term reliability and quality.

Sincerely;**Katherine McKenney**